**Speech prepared for Alan Winde, Minister of Economic Opportunities**

**Economic Development and Tourism Adjustments Budget Speech**

**30 November 2017**

We are tabling today’s adjustment budget as we reach the mid-point in our five-year plan to grow the Western Cape’s economy, and create over 200 000 jobs in our region.

When we launched the Project Khulisa growth strategy in 2014, research showed us that in order to achieve these goals, we needed to focus on high-potential sectors such as tourism, agri processing and oil and gas.

Since we put this strategy in place, we have achieved excellent growth in employment, despite emerging threats brought about by the drought and political uncertainty at a national level.

Just this month, ratings agency, S&P downgraded South Africa’s sovereign rating to “junk” status.

And while our economy is impacted by these events, in the Western Cape, we have a very different, very good story to tell. According to the latest figures from Statistics South Africa, jobs have grown by 84 000 in our region in the past year. We have the lowest broad and narrow unemployment rate in the country.

This week, Wesgro also released its latest investment report, which showed that the agency has secured investments worth R1.89 billion in the past eight months alone. Through their hard work, jobs have been created for more than 2000 residents.

Through this adjustment, we are aiming to invest in further boosting our priority sectors, and supporting businesses with the tools they need to overcome the current water crisis.

Our local agri entrepreneurs have just returned from a very successful trade promotion trip to China, and I am looking forward to sharing more on this during my adjustments speech for the Agriculture Department. To further support export promotion in agri processing, particularly in the Halal sub-sector, a R3 million reallocation to Wesgro is requested.

While we are providing support to key sectors through Project Khulisa, we also know we need to get the basics right. We are working to create an enabling environment in which all businesses to thrive.

Part of this goal is ensuring that residents and entrepreneurs have access to affordable and reliable internet.

Through our R3 billion Broadband project, more than 200 000 residents across the province have already been connected to our network of public wifi hotspots. To ensure that residents get the most out of these access points, Internet Champions were sitatued in communities, and offered digital literacy training to 346 000 residents.

With this adjustments budget, an additional R7.2 million is allocated to further expand our broadband initiative.

This includes:

* R1.5 million for the Broadband Business Toolkit, which will helps businesses to better understand how they can use technology to grow their enterprises;
* R900 000 to the ICAN (Interactive Community Access Network) centre in Elsies River and the Khayelitsha Barn. In the past two years, 23 442 residents have visited the ICAN centre to gain valuable e-skills and to participate in the digital economy. Through our enterprise development partnership with the Khayelitsha Barn, we have trained just under 3 000 entrepreneurs, equipping them with the tools they need to grow their businesses.

Skills development is another critical enabler in our economy. We must ensure that the needs of business for appropriately trained employees are met. That is why we have reallocated R12.9 million to provide for training in the digital industry, as well as to bolster our Artisan Development Programme. A further R1 million will be allocated to Technical and Vocational Education and Training (TVET) colleges for the appointment of maths teaching assistants.

We are also using this allocation to mitigate the impact of the water shortage on our economy. In total, R2.5 million is reallocated to our Water Resilience project, which assists with GreenCape’s support of businesses during this water crisis.

In the weeks ahead, we will also roll out province-wide water-savings awareness campaigns. It is our goal to spread our message on the need to save water to businesses and tourists visiting our province.

Going forward, we will continue to work with other spheres of government, businesses and residents to tackle this crisis.

I would like to thank Solly Fourie and his team for their dedication to growing our economy, and creating jobs. Employment is the key to a more prosperous life for residents of our province, and that is why it remains our number one goal. With this adjustment budget, we are sending them the resources to further deliver on these objectives.

Thank you.